

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: April 23, 2010]²

Bill No. and sponsor: S. 2092 (Ms. Amy Klobuchar of Minnesota).

Proponent name,³ location: 3M Company, St. Paul, MN.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Perfluorohexane (mixed isomers) (CAS No. 355-42-0 or 86508-42-1) (provided for in subheading 2903.39.20).

Perfluoroheptane (mixed isomers) (CAS No. 335-57-9 or 86508-42-1) (provided for in subheading 2903.39.20).

Perfluorobutane (mixed isomers) (CAS No. 355-25-9 or 86508-42-1) (provided for in subheading 2903.39.20).

Check one: ☐ Same as that in bill as introduced.
☒ Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The subject products are synthetic organic chemicals that are used as heat transfer fluids and coating solvents. They are also used in testing electronic devices. The proponent has indicated that it expects to start importing commercial amounts of the product from Belgium in 2011.

¹ Industry analyst preparing report: Elizabeth R. Nesbitt (202-205-3355); Tariff Affairs contact: David G. Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill. USITC staff identified an additional beneficiary of this bill that was not identified by the sponsor/proponent, and that beneficiary submitted a written representation that it would benefit from this bill.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 2903.39.20:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%
Estimated value <i>dutiable</i> imports ^a	0	\$2,600,000	\$2,700,000	\$2,700,000	\$2,600,000
Customs revenue loss ^b	\$0	\$96,200	\$99,900	\$99,900	\$96,200

a/ Dutiable import estimates were provided by industry sources.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
3M Company (Proponent) Megan Ivory Carr, mmivory@mmm.com	11/12/2009	No	No	No
Acros Organics USA/B.V.B.A. Ann Moorkens, ann.moorkens@thermo.com	11/12/2009	No	No	No
BASF Corporation Gregory A. Thies, gregory.thies@basf.com	11/12/2009	No	No	No
Bayer Corporation Karen Niedermeyer, karen.niedermeyer.b@bayer.com	11/12/2009	No	No	No
Ciba Specialty Chemicals Michelle Forte, Michelle.Forte@cibasc.com	11/12/2009	No	No	No
Daikin America Inc. Gary Stanitis, gstanitis@daikin-america.com	11/16/2009	No	No	No
Dow Chemical Co. Lisa Schroeter, LMSchroeter@dow.com Max Turnipseed, mctint@att.net	11/12/2009	No	No	No
DuPont Brian Curtis, Brian.Curtis@usa.dupont.com	11/12/2009	No	No	No
Evonik Industries AG Russell Mait, russell.mait@evonik.com	11/12/2009	No	No	No
Fanwood Chemical Inc. V. M. (Jim) DeLisi, JdeLisi@fanwoodchemical.com	11/12/2009	No	No	No
Freudenberg-NOK Ronald Guest, rsg@fnacc.com	11/12/2009	No	No	No
LANXESS Corp. Jamie Schaeffer, jamie.schaeffer@lanxess.com	11/24/2009	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
MIC Specialty Chemicals Inc. Joe Santora, joe.santora@micspe.com	11/12/2009	No	No	No
Monsanto Company Michael Parrish, Michael.Parrish@monsanto.com	11/12/2009	No	No	No
Nisso America Inc. Toshiyuki Iwama, t.iwama@nissoamerica.com	11/12/2009	No	No	No
Solutia Inc. Bob Hurley, Rhurley@TheAccordGroup.com Kassie Wooton, KDWoot@solutia.com	11/12/2009 12/01/2009	No	No	No

Technical comments:⁴

The bill, as drafted, describes a series of fluorocarbons that would be better described by the article description on page 1 of this report. The Commission staff suggests that the bill should be redrafted to provide temporary duty reductions or suspensions for each individual series of perfluorinated isomers and to provide the correct CAS numbers.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

111TH CONGRESS
1ST SESSION

S. 2092

To suspend temporarily the duty on certain perfluorocarbon alkanes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Ms. KLOBUCHAR introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on certain perfluorocarbon alkanes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN PERFLUOROCARBON ALKANES.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by inserting in numerical sequence the following
7 new heading:

“	9902.01.00	C5-C8 Perfluorocarbon alkanes (CAS No. 86058–42–1) (provided for in sub-heading 2903.39.20)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

